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INFO RUCNCIS/CIS COLLECTIVE PRIORITY
RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY
RUCNIRA/IRAN COLLECTIVE PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 YEREVAN 000328

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TAGS: [ETTC](#) [PREL](#) [ENRG](#) [EPET](#) [EINV](#) [IR](#) [AM](#)

SUBJECT: IRAN-ARMENIA GAS PIPELINE: GOAM REPLIES TO OUR
DEMARCHÉ, AS PRESIDENTS UNVEIL THE PROJECT

REF: A) STATE 32666 B) YEREVAN 323 C) 05 YEREVAN 1095

D) 06 YEREVAN 1537 E) 06 YEREVAN 900 F) 06
YEREVAN 631 G) 06 YEREVAN 914 H) 06 YEREVAN
1694

Classified By: Steve Banks, Pol/Econ chief, reasons 1.4 (b,d)

11. (C) SUMMARY: The MFA called in CDA March 19 to present Armenia's reply to Ref A demarché (see para 5 for full text of MFA non-paper), three hours before Presidents Kocharian and Ahmadinejad formally opened the pipeline. The most significant point in their reply is that "there is no more important issue for Armenia than energy diversification," andQ"the grave importance and strategic significance of this gas pipeline cannot be overestimated." The non-paper also states that Armenia has been "extremely careful about the political and legal environment" to avoid any landmines, and "we believe this single high-level meeting does not and cannot in any way serve other interests." Septel will update on our latest information about the technical and ownership aspects of the new pipeline. Reftels C through H represent an overview of previous reporting on this pipeline and other energy proposals, notably Ref G, which reports President Kocharian's pains to ensure we were informed of Armenia's plans with Iran. END SUMMARY

12. (U) CUTTING THE RIBBON: The two presidents presided over the inauguration ceremony of the new pipeline on the afternoon of March 19. The ceremony was delayed two hours when inclement weather denied President Ahmadinejad the ability to reach the Armenian border town of Meghri by helicopter. The Iranian president set down in the northwest Iranian town of Djulfa, according to Armenian media reports, and proceeded by car to the ceremony, which went off at approximately 2:00pm. No live broadcast of the ceremony or subsequent joint press conference was available via Armenian media, so information about what may have been said is still trickling in slowly. Armenian media are reporting that the presidents did not deliver their prepared speeches, in deference to the bad weather, however the 4:00 television news reported that the joint press conference was still ongoing. The early impression is that no major announcements have been made, however this analysis may change as more complete information becomes available. (NOTE: Meghri is remote and quite poorly served by communications infrastructure. It may be Tuesday morning before a complete report is available on the substance of the two presidents' comments. END NOTE)

13. (C) ARMENIA'S DIPLOMATIC REPLY: The MFA had reached out to us on Sunday to summon the CDA to a Monday morning meeting, ensuring that we had received their reply before the scheduled noon ceremony. With neither FM Oskanian nor DFM Kirakossian available for the meeting (Oskanian was definitely with the president at the Iranian border, and we believe Kirakossian was as well), DFM Gegham Gharibjanian--a former Armenian ambassador to Iran, whose current portfolio is relations with the CIS states--was left to deliver the GOAM's response. Gharibjanian was unable to add substantively to the non-paper points which he conveyed on FM Oskanian's behalf.

14. (C) The CDA pressed Gharibjanian again on our strong desire for the GOAM to mitigate the damage done by the prQdential-level pipeline opening by making points affirming Iran's obligations under UNSCR 1696 and 1737. Gharibjanian promised to relay our renewed message to Oskanian, but was unaware of what was planned.

15. (C) TEXT OF ARMENIAN NON-PAPER:

We have taken note of your comments expressing concern about the impact of the opening ceremony of the gas pipeline. Your concerns are fully understandable.

Armenia has always been especially considerate of the concerns of the US.

Cognizant of the existing sensibilities, Armenia has consistently conducted a very open, transparent policy vis-a-vis all our neighbors, particularly Iran.

In addition, Armenia supports all international attempts to secure global peace and limit threats and dangers, including joining the war against terror, acceding to all international

and regional non-proliferation conventions and treaties.

We fully understand the particular concern about the nuclearization of Iran.

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Armenia shares a border with Iran, is a front-line state, and is most concerned - and most vulnerable - in this region in the event of unexpected developments.

Armenia fully supports a non-nuclear region, and will continue to bring our input as a member of the international community and the UN.

From the inception of the idea of a gas pipeline, and throughout its implementation, we have been extremely careful about the political and legal environment, have looked into all existing legal constrictions and have concluded that we are not in violation of any provisions of the international community nor of any individual country.

There is no more important issue for Armenia than energy diversification. This is the only energy source for Armenia that is not dependent on the goodwill or the political stability of a third country. The grave importance and strategic significance of this gas pipeline cannot be overestimated.

A high-level ceremony to inaugurate the pipeline is therefore natural. Such a high level meeting was discussed during the Presidents' meeting last year. This was explained then, and has always been a matter of public information.

Because of unavoidable delays, the opening is being held now, coinciding with these international developments.

We believe this single high-level meeting does not and cannot in any way serve other interests.
GODFREY